NEWS

United States Department of Justice U.S. Attorney, District of New Jersey 970 Broad Street, Seventh Floor Newark, New Jersey 07102



Christopher J. Christie, U.S. Attorney

More Information? Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

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Contact: Michael Drewniak, PIO 973-645-2888 tung0824.rel FOR IMMEDIATE RELEASE Aug. 24, 2007

East Brunswick Podiatrist Admits Medicare Fraud, Agrees to Pay \$1.2 Million in Criminal and Civil Penalties

(More)

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NEWARK – An East Brunswick podiatrist pleaded guilty today to defrauding the Medicare Program and agreed to pay \$1,218,313.38 as part of a civil settlement and criminal restitution, U.S. Attorney Christopher J. Christie announced.

Ming C. Tung, 63, entered his plea before U.S. District Senior Judge Joseph E. Irenas. Sentencing is scheduled for Dec. 7.

At his plea hearing, Tung admitted that between Jan. 1, 2001 and Dec. 31, 2005, he fraudulently billed the Medicare program for routine foot care services knowing that he was not entitled to receive payment.

Tung would make it appear that most of his patients suffered from systemic podiatric problems, such as diabetes, which necessitated routine foot care services, such as toenail clipping and foot massage.

Tung also admitted that he provided other Medicare-covered patients with routine foot care services and falsely billed Medicare as though he had provided more complex, time-consuming procedures, such as the removal of infected toenails. He also obtained reimbursement from Medicare for home visits when they were not medically necessary. Had Tung correctly billed for these claims, he would not have been entitled to any Medicare reimbursement for the services he rendered..

Tung pleaded guilty in federal court to one count of health care fraud and faces a maximum penalty of 10 years in prison and a \$250,000 fine. As part of the plea, Tung will also pay \$350,000 in criminal restitution to the Medicare Trust Fund. Judge Irenas allowed Tung to be free on a \$250,000 bond pending sentencing.

Tung also entered into a civil settlement of \$868,313.38 for violations of the federal False Claims Act, which permits recovery of triple the amount of the damages to the government plus penalties, according to Assistant U.S. Attorney Stuart A. Minkowitz, Health Care Fraud Coordinator in the Civil Division of the U.S. Attorney's Office. The payment is to be made within seven days. Tung will also be mandatorily excluded from participating in any federal health care program.

In January 2006, the U.S. Attorney's Office obtained an injunction against Tung based on his fraudulent conduct, froze more than \$2 million of his assets and placed Tung's Medicare claims into prepayment audit pending full investigation and resolution of the criminal matter. As a result of the guilty plea, civil resolution and mandatory exclusion from federal health care programs, that injunction will be lifted.

In determining an actual sentence, Judge Irenas will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The

judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

In the filing of a felony Information, a defendant waives the right to have his or her case presented to a federal grand jury and, instead, pleads guilty to charges presented by the government.

Christie credited Special Agents assigned to the U.S. Department of Health and Human Services, Office of Inspector General, Office of Investigations, under the direction of Special Agent-in-Charge Gary Heuer, with investigating the case.

In the criminal case, the government was represented by Assistant U.S. Attorneys Lisa Rose and Coleen F. Middelton; the civil case was handled by Assistant U.S. Attorney Minkowitz.

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Defense Counsel:

for the criminal case: Douglas M. Nadjari, Esq., Lake Success, N.Y.

for the civil case: Robert J. Conroy, Esq., Bridgewater, N.J.